

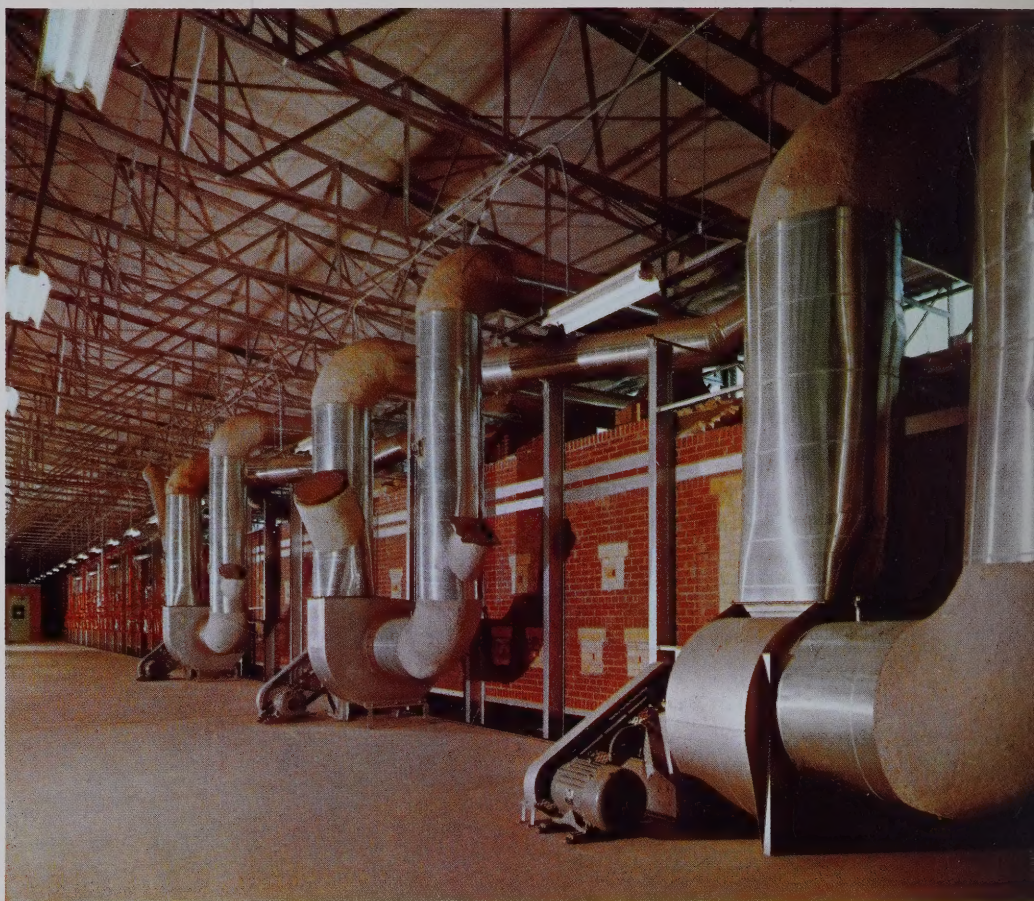
AR43



MARCH 1/60

Annual Report 1959

DOMINION TAR & CHEMICAL
COMPANY, LIMITED



COVER STORY — The golden thread running through Canada's economic fabric is symbolic of the millions of dollars distributed annually by Dominion Tar & Chemical Company, Limited through wages, purchases of goods and services, taxes and dividends. DTC is a truly Canadian company in management, labour force, and in the services it buys. And over 90% of its dividends are paid to Canadian shareholders.

This new tunnel brick kiln at the Cooksville, Ont., plant of Cooksville-Laprairie Brick Limited highlights the streamlined operation of modern brick making. From this plant and sister plants in Ontario and Quebec comes much of the brick and tile required by Canada's construction industry.

Salt which had remained hidden for centuries underground at Goderich, Ont., is now being mined and processed for use by Canadians. With the production of this new mine, Sifto Salt Limited will be able to provide from its own sources a large tonnage formerly imported.



h i g h l i g h t s

	1959	1958
Net Sales	\$219,293,198	\$181,376,516
Total Assets per Balance Sheet	\$214,277,988	\$172,540,340
Wages and Salaries	\$ 57,086,373	\$ 47,187,222
Materials, Services, etc.	\$127,241,824	\$106,429,473
Net Earnings	\$ 11,230,918	\$ 7,304,497
Earnings per Preference Share	\$ 37.43	\$ 24.35
Earnings per Common Share	\$ 1.61	\$ 1.40
Common Shares Outstanding	6,782,232	5,000,000
Dividends per Preference Share-Annual Rate	\$ 1.00	\$ 1.00
Dividends per Common Share-Annual Rate	\$.60	\$.50
Dividends Paid	\$ 4,369,339	\$ 2,800,000
Balance of Net Earnings retained in the Business	\$ 6,861,579	\$ 4,504,497
Funded Debt Interest	\$ 2,013,194	\$ 1,745,898
Earnings available for Funded Debt Interest	\$ 35,718,474	\$ 28,790,079
Funded Debt Interest Coverage	17.74	16.49
Outlays on Land and New Buildings, Plant and Machinery	\$ 29,930,657	\$ 12,798,316
Book Value per Common Share	\$ 14.25	\$ 12.82
Number of Preference Shareholders . .	1,672	1,685
Number of Common Shareholders . . .	16,060	10,755
Number of Employees	13,275	11,732

report of the directors to th

The audited statement of the affairs of your Company and its subsidiaries for the year ended December 31st, 1959 is submitted herewith.

On March 14th last you were informed of the acquisition of the assets of Gypsum, Lime and Alabastine, Canada, Limited. Under the terms of the purchase of these assets profits earned by that company from the commencement of its fiscal year on December 1st, 1958 accrued to your Company. The addition of these important assets and earnings should be taken into account when reading the comparisons given herein and in the financial statements.

SALES :

Total consolidated sales of the Company were \$219,293,198 compared to \$181,376,516 the previous year.

Sales of the operating divisions were approximately the following proportions of the total:

Building Materials	—	35%
Chemicals	—	24%
Pulp and Paper	—	41%

The foregoing breakdown of divisions and their sales is intended to provide information to shareholders according to industry breakdowns frequently used by investors. It should be pointed out that the common denominator in practically all our operations is chemical processing and that 95% of our sales arise from operations which could be described as chemical process industries.

PROFIT AND DIVIDENDS :

Operating earnings before investment income, interest on funded debt, depreciation, income taxes and minority interests were \$34,965,001 as compared to \$27,759,821 the previous year. It is interesting to note that these operating earnings as a percentage of sales were 15.9% in 1959 and 15.3% in 1958. After charging interest on funded debt, which was higher on account of the interest on the debentures sold in 1958 being charged for a full year against only seven months the year before, and after providing an amount of \$12,500,000 for depreciation and depletion against \$8,150,000 the year before, and after providing for the income taxes estimated to be payable in respect of the year's earnings, the profit amounts to \$11,230,918 against \$7,304,497 a year ago.

The earnings per common share were \$1.61, excluding the capital profit of \$2,939,774 which has been credited to Earned Surplus in the year. This \$1.61 compares with \$1.40 reported a year ago on the smaller number of shares then outstanding. Both total earnings and earnings per share are the highest in the Company's history.

Dividends were declared at the rates of \$1.00 per annum on the preference shares and 60¢ on the common shares, calling for a total payment of \$4,369,339.

BALANCE SHEET :

Working capital decreased during the year from \$53,683,520 to \$38,881,551, which decrease has resulted from the considerable outlays in the year on the acquisition of assets and the construction of new facilities. Consolidated funded debt was decreased during the year by \$1,537,000 leaving at the year-end \$43,468,500.

In connection with the acquisition of the assets of Gypsum, Lime and Alabastine, Canada, Limited, 1,782,232 common shares of your Company were issued bringing the total number issued and outstanding to 6,782,232.

CAPITAL EXPENDITURES :

The Company's capital expenditure program has in recent years been expanded to include the needs for continued growth in the Howard Smith group of companies and the gypsum and lime industries recently acquired. This accounts for the considerable increase in capital outlays on fixed assets, apart from the cost of acquiring the gypsum and lime assets referred to above, from \$12,798,316 in 1958 to \$29,930,657 in 1959.

shareholders

The rock salt mine came into successful operation in the final months of 1959 and our imports of rock salt have practically ceased. The quality of the salt from our new mine is fully up to expectation and the operation has come in with a minimum of start-up difficulty. Two new tunnel kilns for brick production have come into operation and another is planned. The very fine tar distillation plant at Hamilton which came into production early in the year is proving most efficient.

The most important project in the Howard Smith program was the installation of a new paper machine and related services at Cornwall for the production of fine and specialty papers. The machine has a yearly capacity of 40,000 tons and commenced operation in January, 1960.

The acquisition of the Gypsum, Lime and Alabastine assets previously mentioned provided the single greatest outlay of capital during the year. Your Board had for some years considered that an expansion into the gypsum and lime industries was a logical course of direction for your Company and this acquisition therefore achieves that objective. The business is being carried on by the Company under the name of Gypsum, Lime & Alabastine Limited through two divisions: the Construction Materials Division and the Industrial Materials Division. The Construction Materials Division quarries gypsum and produces plaster and plaster board at a number of locations. The Industrial Materials Division is engaged in the quarrying of limestone and its conversion to quick lime and hydrated lime. More details are given on the operation of this new unit in the body of the report.

OPERATIONS:

There was an increased demand for substantially all the products of our divisions. With this increased demand your Company was able to increase its sales in all sections of the company but competition everywhere was vigorous and prices were adversely affected on some products, particularly those of the asphalt roofing industry.

In the construction materials fields the increase in consumer acceptance of "Siporex" was particularly gratifying.

In the chemical business generally increased demands led to substantially increased profits.

Howard Smith had a good year, with sales being up about 4% from last year and earnings about 1%.

It is anticipated that during 1960 there will be a falling off in some divisions and an increase in others. However, the prospects appear to be for at least a continuation of present overall sales levels.

OFFICERS AND DIRECTORS:

Messrs. R. A. Bryce, C. Gordon Cockshutt, R. W. Cooper, S. G. Dixon, Q.C., G. H. Dobbie and R. T. Hager, who were directors of Gypsum, Lime and Alabastine, Canada, Limited, have joined the Board of this Company and in this way their wise and valuable guidance is retained. Mr. Philip N. Gross, who was President of Gypsum, Lime and Alabastine, Canada, Limited, has been appointed a Vice-President of your Company.

EMPLOYEE RELATIONS:

Employee relations have again continued on a basis of mutual cooperation. It was reported last year that a sign of this cooperation was a decline of accident frequency and your Board is pleased to report that this frequency has dropped to a new low this year.

The Board expresses its thanks to all the Officers and Employees whose combined efforts have produced the growth shown in this statement. ●

Montreal, Canada.
February 19th, 1960.

ON BEHALF OF THE BOARD,

E. P. TAYLOR
Chairman

W. N. HALL
President

consolidated balance sheet

ASSETS

CURRENT:

	1959	1958
Cash	\$ 1,179,225	\$ 2,368,310
Trust deposits and short term securities	2,638,600	10,984,033
Accounts receivable	29,369,860	24,424,961
Inventories of finished products, work in process, raw materials and supplies at lower of cost or market	33,015,565	31,010,615
Advances on woods operations	2,483,894	3,707,995
Prepaid insurance and property taxes	805,810	822,910
	<u>\$ 69,492,954</u>	<u>\$ 73,318,824</u>

INVESTMENTS:

Common shares of Gypsum, Lime and Alabastine, Canada, Limited — Note 2	—	\$ 5,144,517
Other investments and advances	2,732,186	2,763,611
	<u>\$ 2,732,186</u>	<u>\$ 7,908,128</u>

FIXED ASSETS:

Land and water power, at cost	\$ 4,615,956	\$ 4,144,887
Buildings, plant, machinery, equipment and timber limits — Note 3	237,473,860	175,961,426
	<u>\$242,089,816</u>	<u>\$180,106,313</u>
Less: Accumulated depreciation and depletion . . .	100,036,968	88,792,925
	<u>\$142,052,848</u>	<u>\$ 91,313,388</u>

SIGNED ON BEHALF OF THE BOARD:

E. P. TAYLOR, Director

W. N. HALL, Director

\$214,277,988

\$172,540,340

as at december 31 1959

LIABILITIES

CURRENT:

	1959	1958
Bank loan and bank overdraft	\$ 4,519,010	\$ —
Accounts payable and accrued liabilities	19,793,627	12,668,808
Provision for income and other taxes — Note 4	4,893,818	5,938,453
Dividends payable	1,404,948	1,028,043
	<u>\$ 30,611,403</u>	<u>\$ 19,635,304</u>

FUNDED DEBT — Note 5	<u>\$ 43,468,500</u>	<u>\$ 45,005,500</u>
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HOWARD SMITH PAPER MILLS, LIMITED:

160,000 cumulative preferred shares of \$50 each	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>
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INTEREST OF MINORITY HOLDERS OF COMMON SHARES IN SUBSIDIARY COMPANIES

	<u>\$ 28,493,777</u>	<u>\$ 28,743,651</u>
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CAPITAL:

Capital stock —

Cumulative redeemable preference shares, each of
a par value of \$23.50 with annual dividend of
\$1.00 —

Authorized and issued — 300,000 shares	\$ 7,050,000	\$ 7,050,000
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Common shares without nominal or par value —

Authorized — 10,000,000 shares (after in-
crease of 5,000,000 shares in 1959)

Issued — 6,782,232 shares — Note 2	53,703,270	30,534,254
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Surplus resulting from restatement of certain fixed
assets — Note 6

	11,093,731	11,515,677
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Earned surplus, per statement attached

	31,857,307	22,055,954
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	<u>\$103,704,308</u>	<u>\$ 71,155,885</u>
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	<u>\$214,277,988</u>	<u>\$172,540,340</u>
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consolidated statement of profit and loss and earned surplus for the year ended december 31 1959

	1959	1958
Sales	\$219,293,198	\$181,376,516
Cost of sales including selling, general and administrative expenses	184,328,197	153,616,695
	\$ 34,965,001	\$ 27,759,821
Investment and sundry income	753,473	1,030,258
	\$ 35,718,474	\$ 28,790,079
Interest on funded debt	\$ 2,013,194	\$ 1,745,898
Depreciation and depletion	12,500,000	8,150,000
Income taxes — Note 4	7,150,000	8,635,000
Provision for minority interests	2,824,362	2,954,684
	\$ 24,487,556	\$ 21,485,582
Profit for the year — Note 4	\$ 11,230,918	\$ 7,304,497
Profit on sale of 178,540 shares of Gypsum, Lime and Alabastine, Canada, Limited	2,939,774	—
Earned surplus — balance at beginning of year	22,055,954	18,860,915
	\$ 36,226,646	\$ 26,165,412
Discount on issue and premium on redemption of deben- tures, and related expenses	\$ —	\$ 1,309,458
Dividends on preference shares	300,000	300,000
Dividends on common shares	4,069,339	2,500,000
	\$ 4,369,339	\$ 4,109,458
Earned surplus — balance at end of year	\$ 31,857,307	\$ 22,055,954

The following amounts were paid by the Company during 1959 in respect of: remuneration of executive officers \$371,083; directors' fees \$18,169; legal fees \$149,798.

notes to financial statements

NOTE 1 — PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements comprise the accounts of all subsidiary companies, including those of Howard Smith Paper Mills, Limited and its subsidiary companies in which company Dominion Tar & Chemical Company, Limited has an equity of 58.5% of the outstanding common shares.

Condensed statements of financial position of Howard Smith Paper Mills, Limited and its subsidiaries at December 31 1959 and of the results of operations for the year ended on that date are shown hereunder:

Current assets	\$40,406,072
Current liabilities	12,954,243
	<u>\$27,451,829</u>
Fixed assets, less depreciation and depletion of \$75,489,443	58,445,887
Other assets	1,589,580
	<u>\$87,487,296</u>
Funded debt and preferred shares	20,743,500
Common stock and surplus	<u>\$66,743,796</u>
Profit from operations before the undernoted items —	\$17,427,295
Interest on funded debt \$ 469,069	
Depreciation and depletion 5,460,378	
Income taxes 5,388,658	11,318,105
Net profit	<u>\$ 6,109,190</u>

NOTE 2 — COMMON SHARES OF GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED:

By agreement dated February 23 1959 Dominion Tar & Chemical Company, Limited acquired, with effect as of November 30 1958, all the properties, rights and assets of Gypsum, Lime and Alabastine, Canada, Limited for the following aggregate consideration:

- (1) the assumption of all liabilities of Gypsum, Lime and Alabastine, Canada, Limited (other than to the bondholders and shareholders as such) including the expenses of distribution of assets, winding-up, etc., estimated to amount to \$7,015,550,
- (2) the payment of \$23,169,016 by the allotment and issue of 1,782,232 common shares of Dominion Tar & Chemical Company, Limited, and
- (3) the payment of \$14,018,325.02 in cash.

NOTE 3 — BUILDINGS, PLANT, MACHINERY, EQUIPMENT AND TIMBER LIMITS — BASIS OF VALUATION:

Dominion Tar & Chemical Company, Limited and subsidiary companies, excluding Howard Smith Paper Mills, Limited and its subsidiary companies, at depreciated replacement values as determined by The Canadian Appraisal Company Limited in 1949, 1950, 1952 and 1953, plus subsequent additions at cost including in 1959 the fixed assets of Gypsum, Lime and Alabastine, Canada, Limited, as referred to in Note 2 . . . \$105,581,446
Howard Smith Paper Mills, Limited and subsidiary companies, at their cost . . . 131,892,414
\$237,473,860

NOTE 4 — INCOME TAXES:

Income taxes have been calculated after claiming maximum capital cost allowances which exceed depreciation provided in the attached accounts by \$6,760,000. As a result the total taxes otherwise payable for the year have been reduced by approximately \$3,380,000.

NOTE 5 — FUNDED DEBT:

	1959	1958
Dominion Tar & Chemical Company, Limited —		
3½% First mortgage bonds, series "B", maturing August 1 1970	\$ 3,300,000	\$ 3,600,000
5% Sinking fund debentures, series "A", due June 1 1965	5,000,000	5,000,000
5¼% Sinking fund debentures, series "A", due June 1 1978	22,500,000	22,500,000
	<u>\$30,800,000</u>	<u>\$31,100,000</u>
Less: Bonds held for sinking fund	75,000	375,000
	<u>\$30,725,000</u>	<u>\$30,725,000</u>
Howard Smith Paper Mills, Limited —		
First mortgage bonds, 1950 series —		
2¾% due December 1 1960	\$ 600,000	\$ 1,200,000
3% due December 1 1961-1970	6,000,000	6,000,000
4½% debentures, series "A" due June 1 1961	2,121,000	2,893,000
Donnacona Paper Company, Limited —		
First mortgage 3½% bonds, series "B" and "C" maturing July 1 1962 (\$3,520,000 payable in U.S. funds)	4,022,500	4,187,500
	<u>\$12,743,500</u>	<u>\$14,280,500</u>
	<u>\$43,468,500</u>	<u>\$45,005,500</u>

The following amounts are required for retirement of funded debt in 1960:

Dominion Tar & Chemical Company, Limited	\$300,000
Less: Amounts held by Company, as above	75,000
	<u>\$ 225,000</u>
Howard Smith Paper Mills, Limited	771,000
Donnacona Paper Company, Limited (U.S. funds)	165,000
	<u>\$1,161,000</u>

NOTE 6 — SURPLUS RESULTING FROM

RESTATEMENT OF CERTAIN FIXED ASSETS:

Excess of restated depreciated value over depreciated book value of certain fixed assets (unchanged during year) . . .	\$15,141,969
Net excess of consideration for acquisition of shares of subsidiaries over book value of net assets (after increase of \$421,946 during 1959)	4,048,238
	<u>\$11,093,731</u>

auditors' report to the shareholders

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January 28 1960

We have examined the consolidated balance sheet of Dominion Tar & Chemical Company, Limited and subsidiary companies as at December 31 1959 and the consolidated statement of profit and loss and earned surplus for the year ended on that date and have obtained all the information and explanations we have required. Other than for Howard Smith Paper Mills, Limited and its subsidiary companies, to which reference is made below, our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. In respect of Howard Smith Paper Mills, Limited and its subsidiary companies, we were furnished with a consolidated balance sheet as at December 31 1959 and related consolidated statements of income and expenditure and earned surplus for the year ended on that date, together with the auditors' report thereon.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the companies examined by us and by the audited statements of Howard Smith Paper Mills, Limited and its subsidiary companies, the accompanying consolidated balance sheet and the related consolidated statement of profit and loss and earned surplus, with the notes thereto, are properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of Dominion Tar & Chemical Company, Limited and subsidiary companies as at December 31 1959 and the results of their combined operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year. ●

PRICE WATERHOUSE & CO.
Chartered Accountants

directors

- Robert A. Bryce, Toronto
- *C. Gordon Cockshutt, Brantford
- Ralph W. Cooper, Hamilton
- *H. Roy Crabtree, Montreal
- Shirley G. Dixon, Q.C., Montreal
- George H. Dobbie, Galt
- Raymond Dupuis, Q.C., Montreal
- Percy M. Fox, Montreal
- C. L. Gundy, Toronto
- Roger T. Hager, Vancouver
- *W. N. Hall, Montreal
- The Right Hon. C. D. Howe, P.C., LL.D., Montreal
- J. G. Kirkpatrick, Montreal
- H. R. MacMillan, C.B.E., D.Sc., Vancouver
- *M. W. McCutcheon, C.B.E., Q.C., Toronto
- J. A. McDougald, Toronto
- *W. E. Phillips, C.B.E., D.S.O., M.C., LL.D., Toronto
- *E. P. Taylor, C.M.G., Toronto
- Lionel O. P. Walsh, Montreal
- *Colin W. Webster, Montreal
- *Members of the Executive Committee
- E. P. Taylor, C.M.G., Chairman.

officers

- E. P. Taylor, C.M.G., Chairman
- W. N. Hall, President
- D. S. Thomas, F.C.I.S., Vice-President and Treasurer
- W. E. Adkins, Vice-President—Engineering
- R. M. Collins, Vice-President—Production
- P. N. Gross, Vice-President
- R. E. Kirbyson, Vice-President
- W. R. Spence, Vice-President
- W. J. Strain, Comptroller
- S. A. Kerr, C.A., F.C.I.S., Secretary and Assistant Treasurer

general offices .

- Twenty-second floor, Sun Life Building,
- Montreal 2, Quebec

transfer agents .

- — for preference and common shares : Montreal Trust Company—Halifax, N.S.,
Saint John, N.B., Montreal, Que., Toronto,
Ont., Winnipeg, Man., Vancouver, B.C.
- — for common shares only : Empire Trust Company, New York, N.Y.

registrars

- — for preference and common shares : The Royal Trust Company—Halifax, N.S.,
Saint John, N.B., Montreal, Que., Toronto,
Ont., Winnipeg, Man., Vancouver, B.C.
- — for common shares only : Empire Trust Company, New York, N.Y.

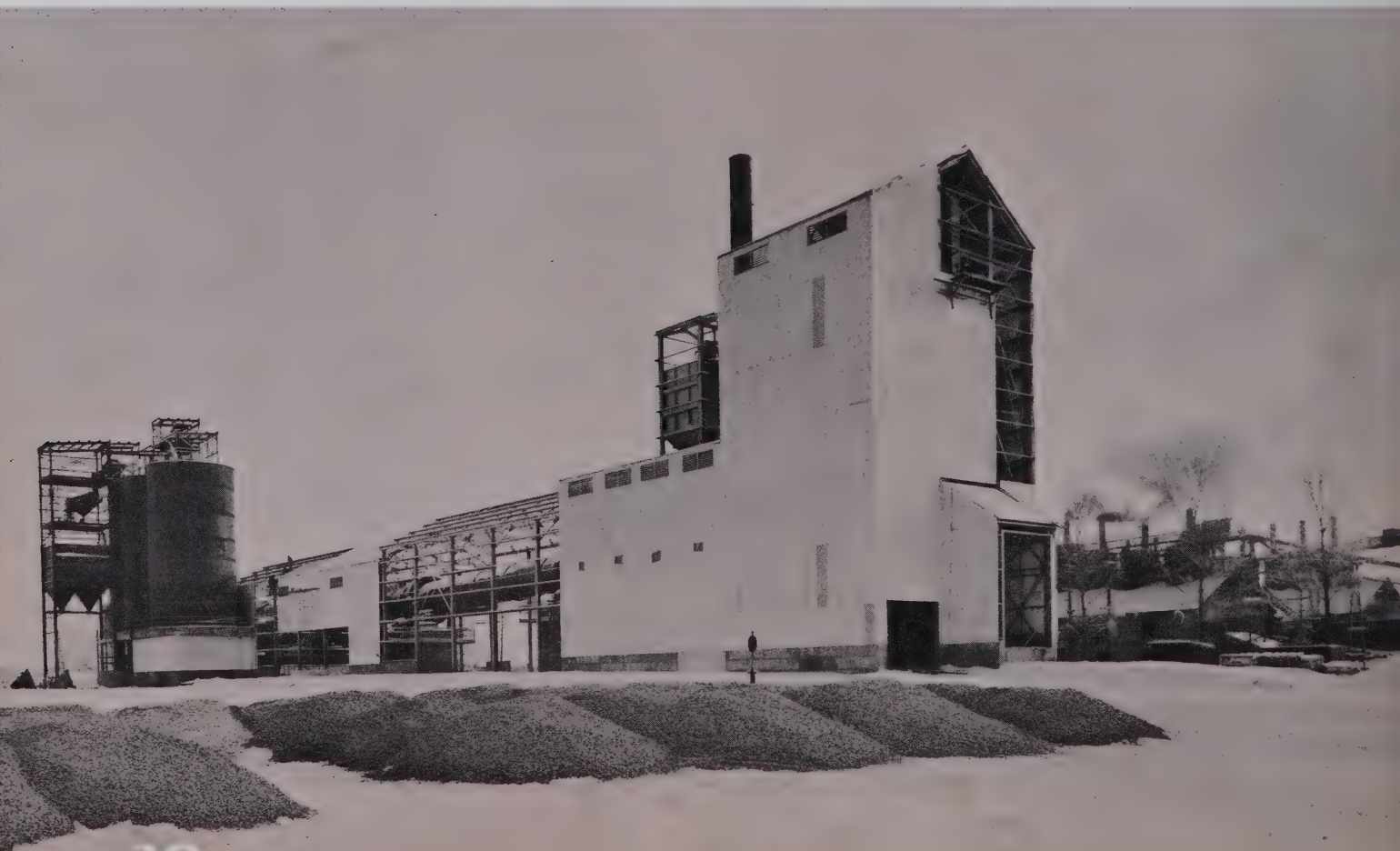
D.T.C. welcomes a new company

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Newest member of the Dominion Tar family of companies is Gypsum, Lime & Alabastine Limited which joins our group with a proud history of more than 70 years of successful operation behind it.

GLA, a leading producer of non-metallic minerals, operates 17 plants in Canada from the Maritimes to British Columbia.

Originally the predecessor company started business as "The Alabastine Company Paris, Limited" and operated a gypsum mine at Caledonia, Ont. The principal product at that time was "Alabastine" powdered water paint. Subsequently, the Alabastine Company joined forces with a gypsum company, purchased a lime plant and acquired a stucco manufacturing company. New gypsum quarries and lime plants were acquired over the years enabling the company to provide the broad service to industry and the building trades which it does today. ●



what does

GLA

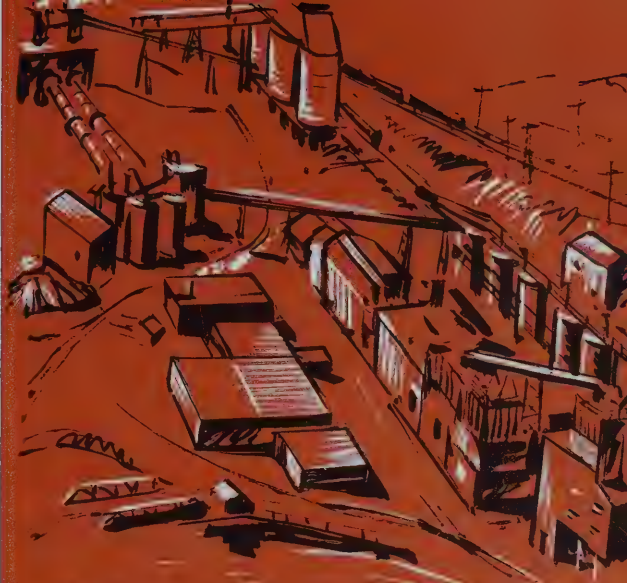
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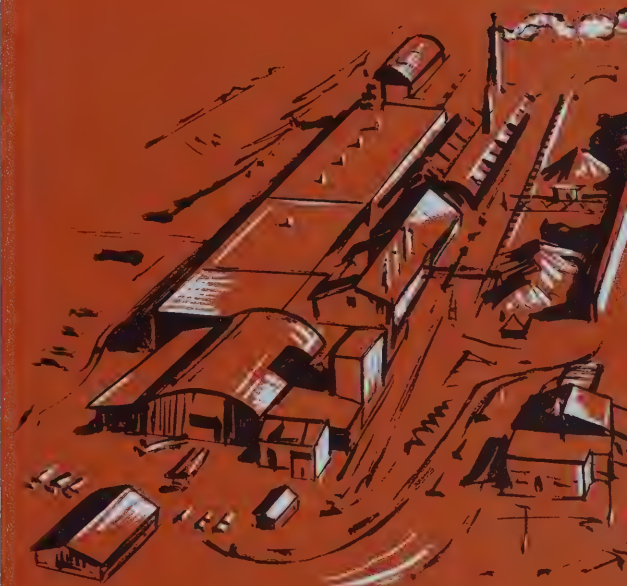
The acquisition of the assets of Gypsum, Lime and Alabastine, Canada, Limited added strength and depth to the construction materials division of your company. The addition of "Gyproc" wallboard, mineral wool insulation, plaster, lime and water paints to our existing lines gives us an unrivalled diversification in the building industry.

Your company will also benefit from the long and successful experience of GLA in the merchandising of these and allied products.

In addition to construction materials, GLA brings to Dominion Tar an extensive trade in industrial lime and limestone products for use by various types of manufacturing. ●



GLA lime plant at Berchville, Ont.



GLA gypsum plant at Calgary, Alta., where the famous "Gyproc" products are made.

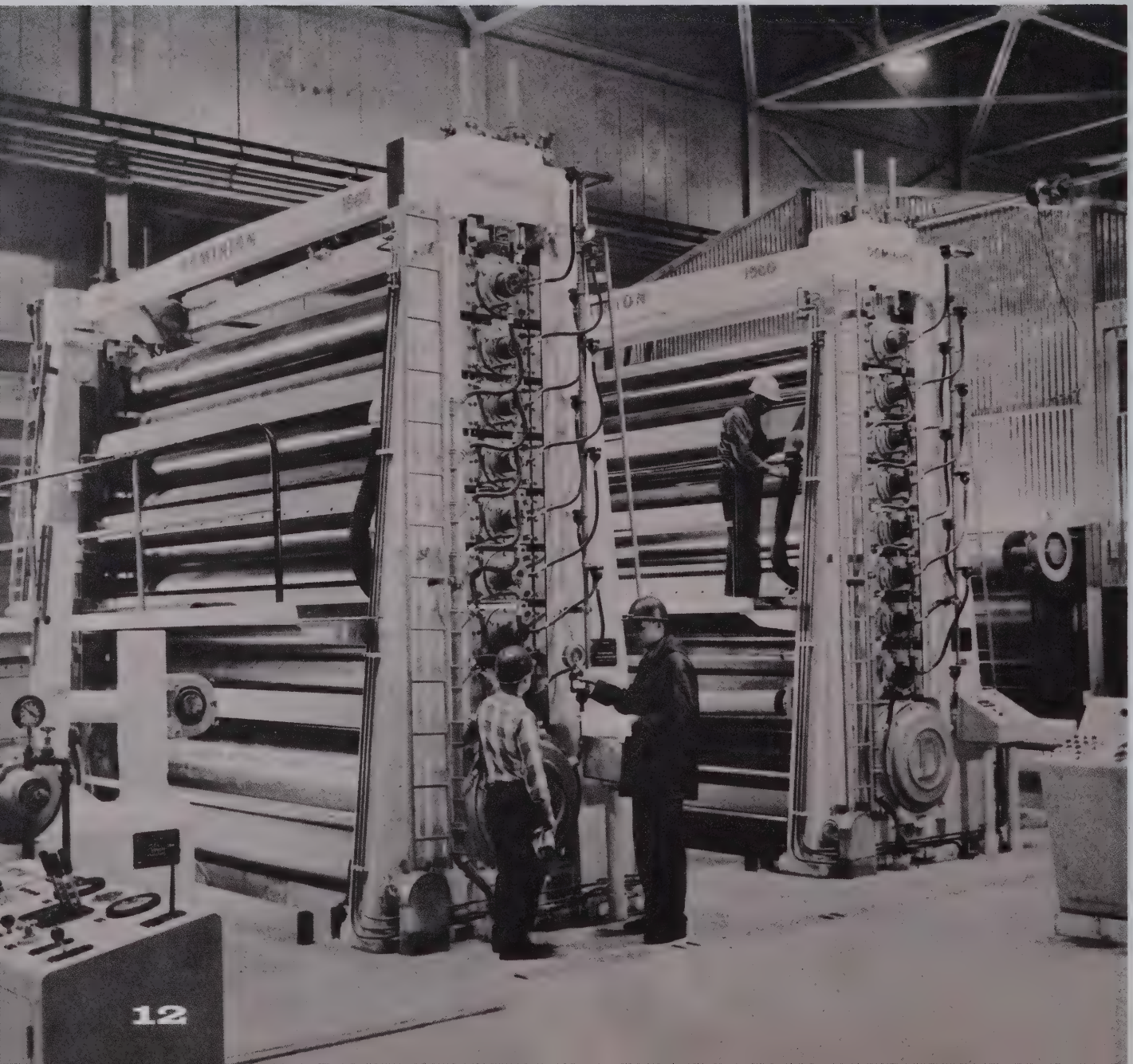


"Gyproc" wallboard and insulating material is also made at this GLA plant at Caledonia, Ont.

building for the future

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During 1959 the value and effectiveness of your Company has been increased through the capital extensions and improvements listed opposite. Some of these are illustrated on the next few pages. ●



CANADA CREOSOTING COMPANY, LIMITED

Plant improvements, Calgary, Alta.
Office building, Trenton, Ont.
Timber limits, British Columbia

CHEMICAL DEVELOPMENTS OF CANADA LIMITED

Arquads manufacturing facilities, Longford, Ont.
Improvements to the manufacturing facilities, Longford, Ont.

COAL TAR PRODUCTS DIVISION

Tar plant, Hamilton, Ont.
Tar acid facilities, Toronto, Ont.

COOKSVILLE-LAPRAIRIE BRICK LIMITED

Tunnel kiln, Cooksville, Ont.
Tunnel kiln, Laprairie, Que.
"Haydite" kiln, Cooksville, Ont.

GYPSUM, LIME & ALABASTINE LIMITED

Board plant and plaster mill, Calgary, Alta.
Dust collection system, Winnipeg, Man.
Board capacity increase, Montreal East, Que.
Plaster mill, Montreal East, Que.
Doubling board and plaster facilities, Caledonia, Ont.
Rotary lime kiln, Joliette, Que.
Shaft kiln, Hespeler, Ont.
Rock reserves, Caledonia and Beachville, Ont.
New quarry, Nappan, N.S.
Plant extensions, Ste. Emelie, Que.

JAVEX COMPANY LIMITED

New plant, Edmonton, Alta.
New plant extension, Vancouver, B.C.

MURRAY-BRANTFORD LIMITED

Modernization of production facilities, Brantford, Ont.
Facilities for using paper-mill wood rejects, Thorold, Ont.

NO-CO-RODE COMPANY LIMITED

Plant improvements, Cornwall, Ont.

SIFTO SALT LIMITED

Rock salt mine, Goderich, Ont.
Cooler dryer, Amherst, N.S.
New brine field, Goderich, Ont.

HOWARD SMITH PAPER MILLS, LIMITED

Finishing room extension, Beauharnois, Que.
Flax plant expansion, Beauharnois, Que.
Hardwood woodroom, Cornwall, Ont.
Steam generating unit, Cornwall, Ont.
New paper machine, Cornwall, Ont.
Finishing room extension, Cornwall, Ont.
Kraft pulp facilities, Cornwall, Ont.
Extension to vanillin plant, Cornwall, Ont.

CANADA PAPER COMPANY

Size press, Windsor Mills, Que.
Krinkling and creping machine, Windsor Mills, Que.
Kraft pulp digester, Windsor Mills, Que.
"Clupak" unit, Windsor Mills, Que.

ALLIANCE PAPER MILLS LIMITED

Expansion of production facilities, Georgetown, Ont.

DON VALLEY PAPER CO., LIMITED

Office building, Toronto, Ont.

THE ARBORITE COMPANY LIMITED

Office extension, LaSalle, Que.
Plant expansion, LaSalle, Que.

DONNACONA PAPER COMPANY, LIMITED

Board mill improvements, Donnacona, Que.
New ground wood pulp storage tank, Donnacona, Que.

SCHOFIELD PAPER COMPANY LIMITED

Warehouse and office expansion, Saint John, N.B.

KILGOUR'S LIMITED

Warehouse and office building, Ottawa, Ont.

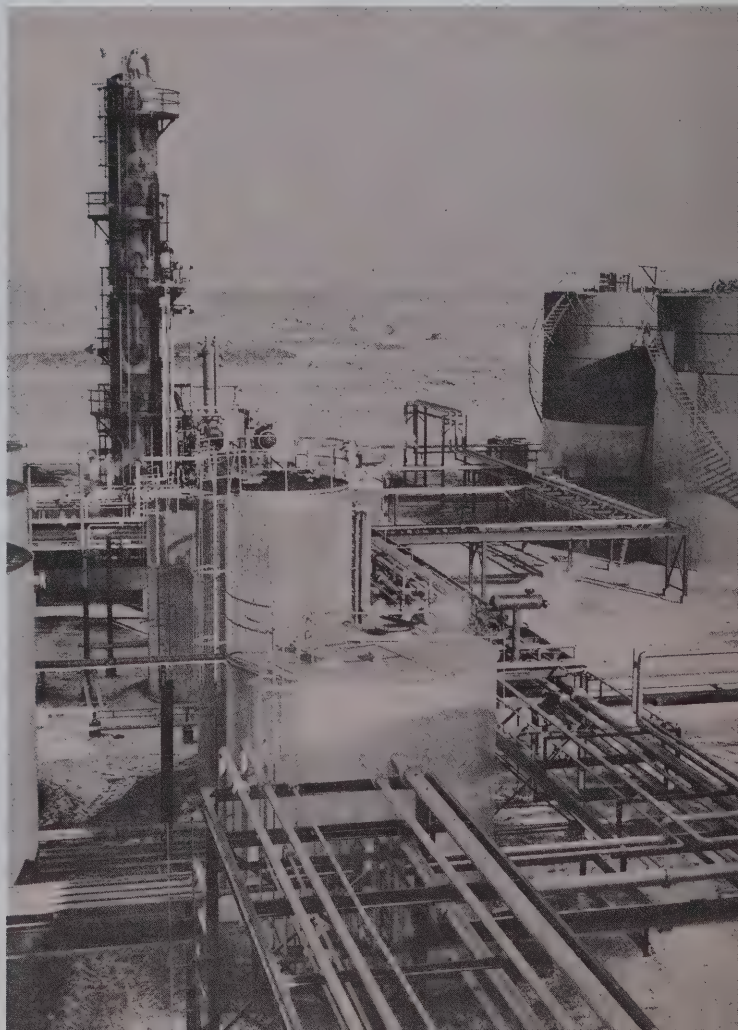


As modern as the products it produces, this fine Javex Company Limited plant in Vancouver was expanded during the past year. It is the west coast headquarters for the company's line of kitchen and laundry aids such as "Javex" bleaches, "Gay" liquid detergent, "Glide" laundry starch and "Fleecy" laundry rinse.



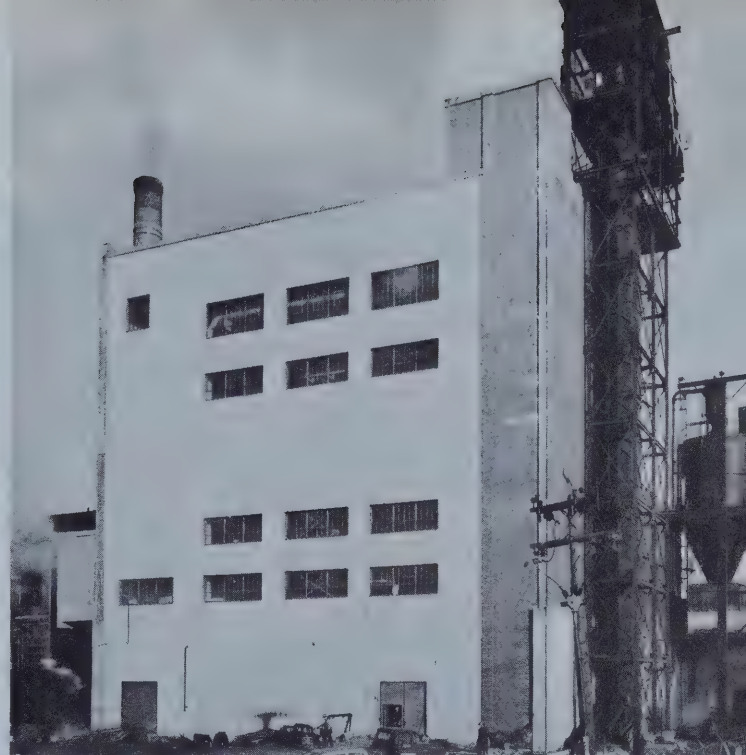
The famous "No-Co-Rode" pipe for underground conduits takes shape on this forming machine at the company's plant at Cornwall, Ont.

A section of the new tar distillation plant at Hamilton, Ont., showing storage tanks in the foreground and a distillation column in the rear.





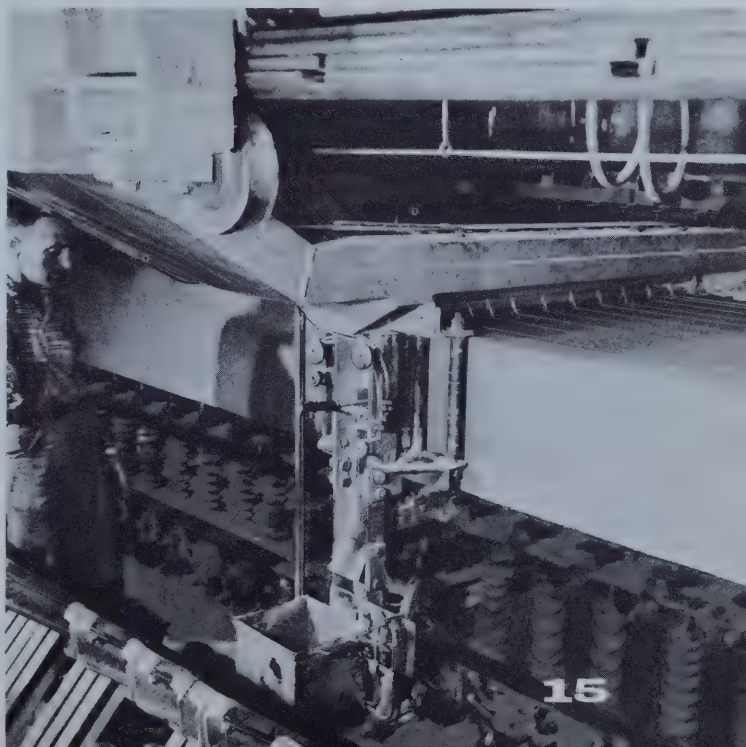
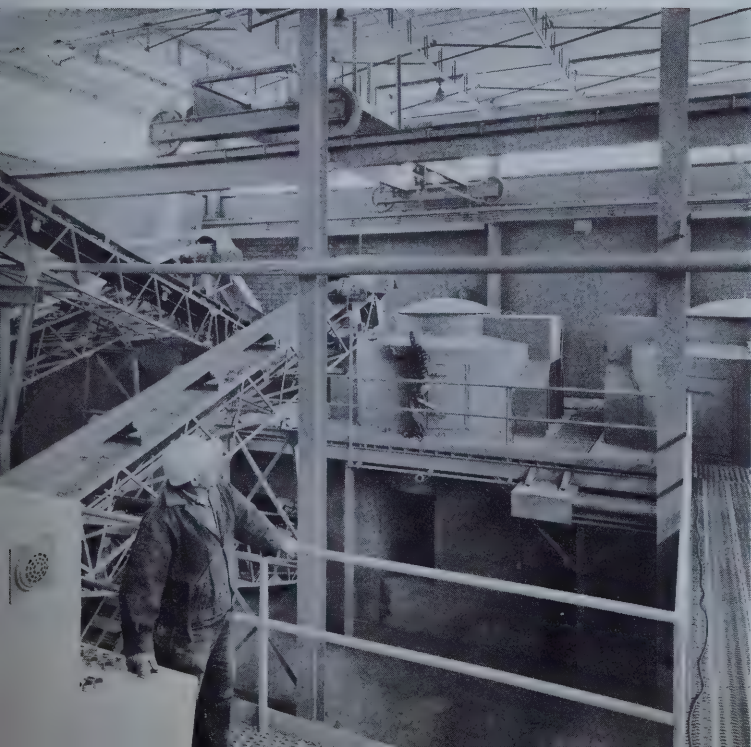
At Windsor Mills, P.Q., Canada Paper Company has added this new Krinkling Machine drying tunnel to its paper-making facilities.

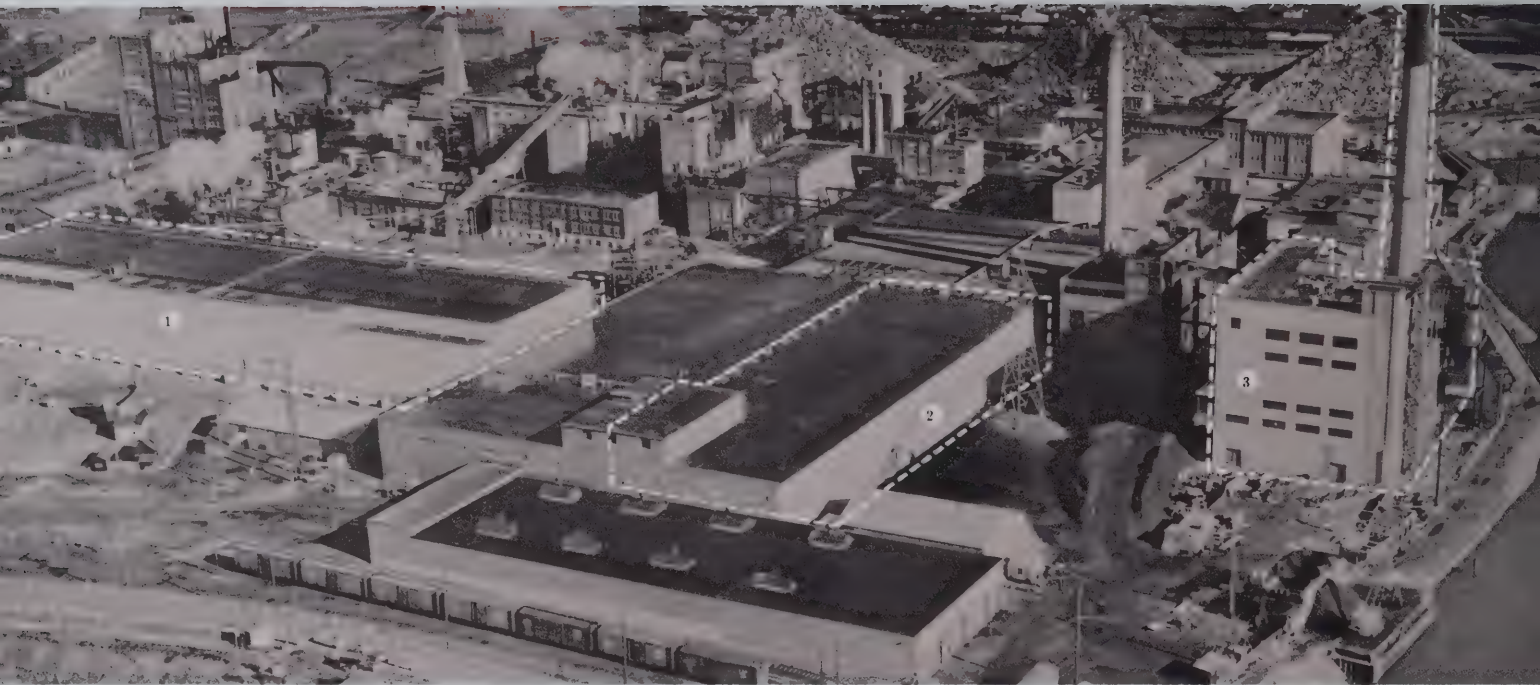


This new steam generating plant at the Howard Smith Cornwall Division can produce 350,000 pounds of steam per hour.

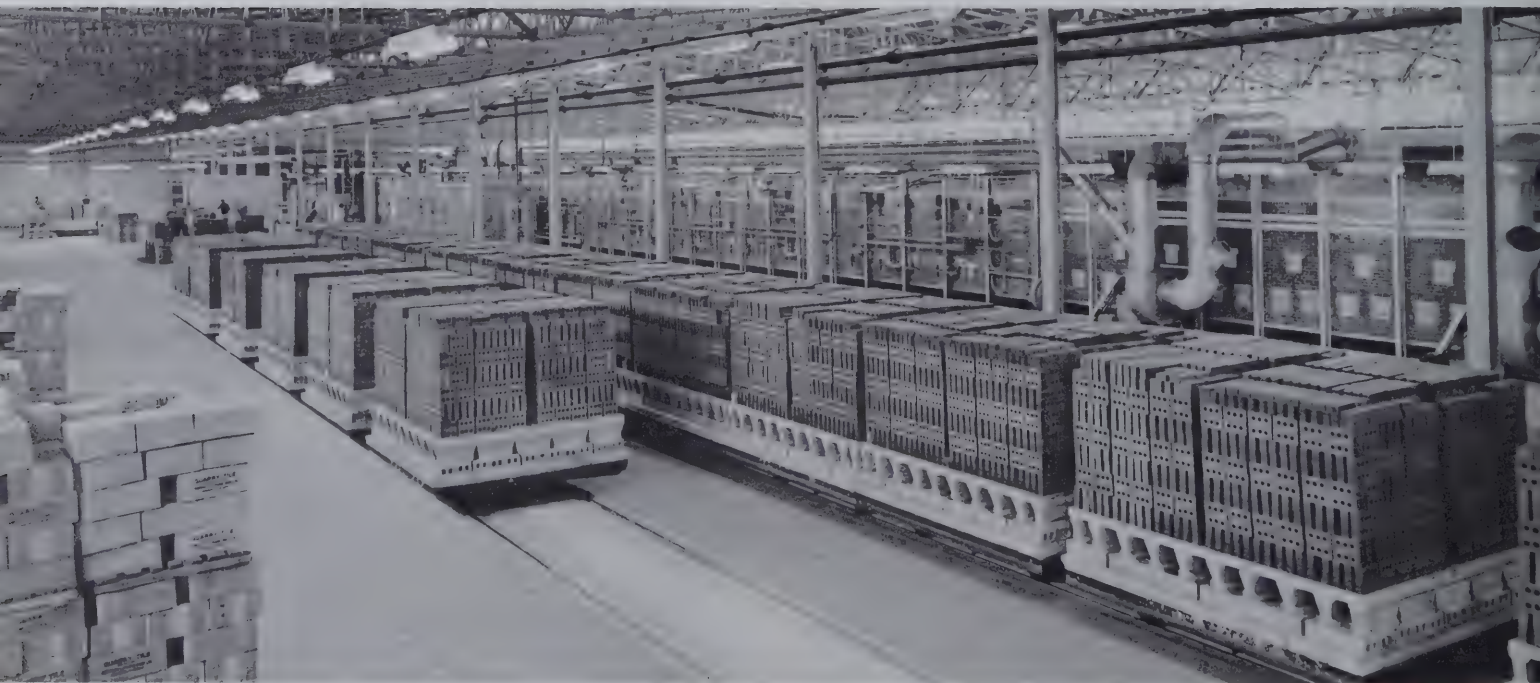
Among the capital improvements of Cooksville-Laprairie Brick at Cooksville, Ont., is a new building housing this shale crushing unit.

At Delson, P.Q., huge blocks of "Siporex" precast, lightweight cellular concrete are cut into slabs for construction purposes.





This aerial view of the Howard Smith Cornwall Division shows prominent new additions including (1) the housing for the new No. 6 paper machine; (2) the extension to the finishing room; and (3) the new 350,000 pounds per hour steam generating plant.



Today's brick plant is a clean, streamlined operation. This interior view of the west end of the Cooksville-Laprairie plant at Cooksville, Ont., shows a neat design of bricks with the company's new, modern tunnel kiln in the background.

new mine in operation

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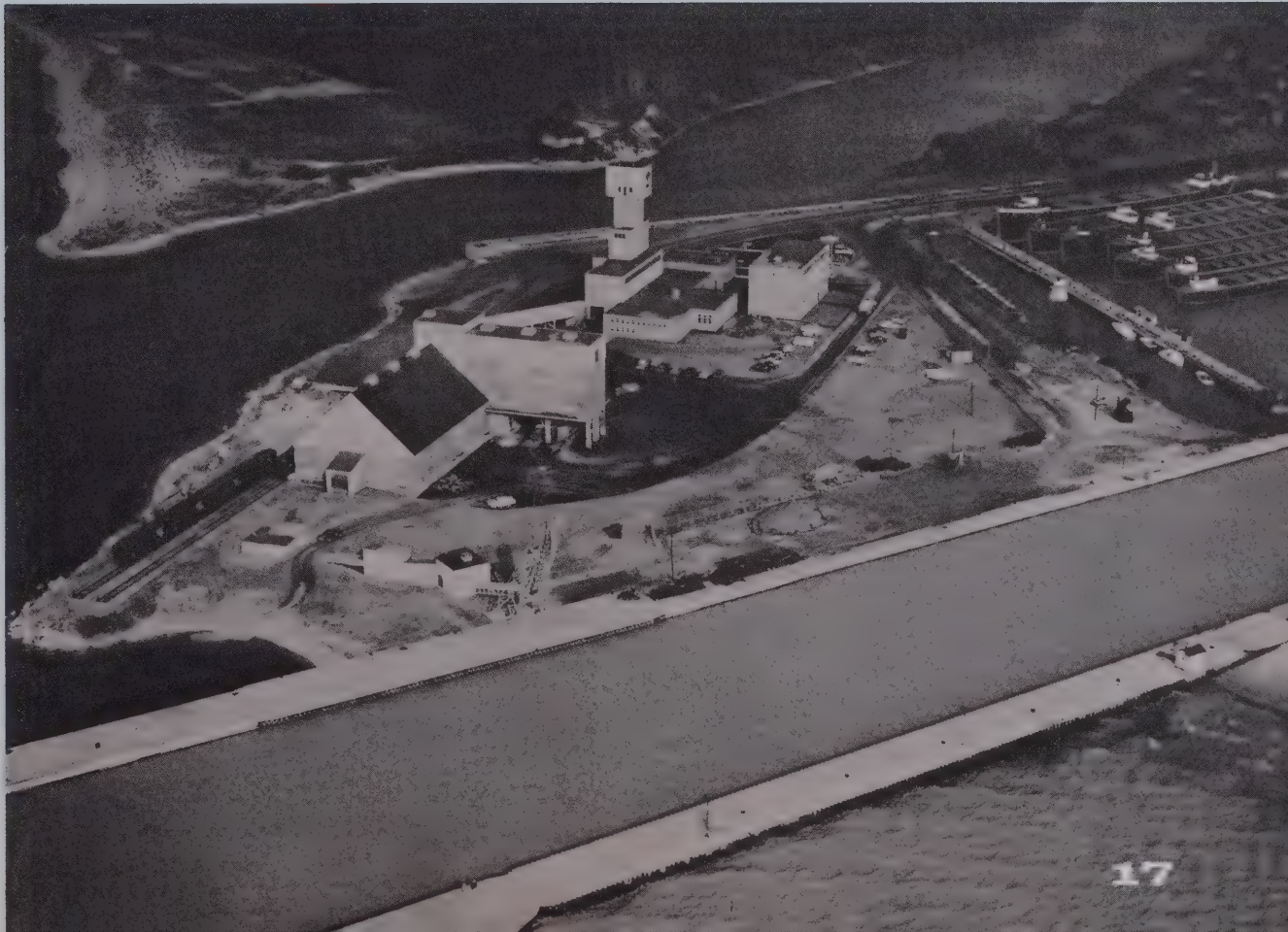
Latest step in an \$8,000,000 program of exploration, shaft sinking and plant construction of Sifto Rock Salt Limited was taken last November when the new salt mine at Goderich, Ont., was officially opened. Salt from this development will help meet the increasing demand for salt by industry and will enable the company to replace with Canadian-produced salt a large tonnage formerly imported.

The shaft of the mine has been sunk to a depth of 1,867 feet through five salt beds of varying thicknesses. At the 1,676 foot level, a salt seam 79 feet thick, most of which was high grade material, was located. The lateral extent of these deposits is vast and more than sufficient to meet foreseeable requirements for many centuries. The company plans to sink a second shaft at a later date.

Surface installations are modern and attractive and have been built to give maximum utility with minimum maintenance. The hoist has a current capacity of 350 tons per hour and this is capable of being increased to 500 tons per hour.

With fast modern loading equipment, a 60-ton railway car can be loaded in about 20 minutes. Ships can be loaded at the rate of 1,000 tons per hour.

In addition to the Goderich mine, Sifto operates four brine evaporating plants and a number of depots and warehouses from the Maritimes to British Columbia. An evaporator has been operating at Goderich for many years. Another at Sarnia has been in production since 1902. Similar plants at Amherst, N.S. and at Unity, Sask., have been producing since 1947 and 1949 respectively. ●



these are the main products of

CHEMICALS

CANADA CREOSOTING COMPANY, LIMITED

Head Office Montreal, Que.
Plants North Vancouver, B.C., New Westminster, B.C., Calgary, Alta., Edmonton, Alta., Prince Albert, Sask., Transcona, Man., Sioux Lookout, Ont., Sudbury, Ont., Trenton, Ont., Delson, Que., Newcastle, N.B., Truro, N.S.

Timber Limits British Columbia.

Main Products "C. C. C." brand pressure treated wood products for use as railway ties, power and telephone poles and crossarms, wharves and other marine structures, bridges and culverts, foundation piling and timbers, mine timbers, roof and deck planking, wood block floors, highway guard rails and posts, pole type buildings, and fence posts, as well as custom preservative treatment of customers' materials.

CHEMICAL DEVELOPMENTS OF CANADA LIMITED

Head Office Montreal, Que.
Plant Longford Mills, Ont.
Main Products Basic chemicals for Liquid Detergents; Carboxymethylcellulose; and Dyestuffs and Pigments.

COAL TAR PRODUCTS DIVISION

Head Office Montreal, Que.
Plants Sault Ste. Marie, Ont., Hamilton, Ont., Toronto, Ont., Montreal, Que., Lachine, Que., Iberville, Que., Sydney, N.S.
Main Products Coal Tar Pitches; Creosote; Naphthalene; Tar Acids; Phthalic Anhydride; Iron and Iron Alloy Powders.

HOWARD SMITH PAPER MILLS, LIMITED (CHEMICALS)

Head Office Montreal, Que.
Plant Cornwall, Ont.
Main Products Lignin for Plastics and Rubber; Vanillin for Flavouring Essences and Perfumes.

JAVEX COMPANY LIMITED

Executive Office Toronto, Ont.
Plants Vancouver, B.C., Edmonton, Alta., Winnipeg, Man., Toronto, Ont., Montreal, Que.
Main Products "JAVEX" Liquid and Dry Bleach; "GLIDE" Liquid Laundry Starch; "GAY" Liquid Detergent; "FLEECY" Laundry Rinse.

SIFTO SALT LIMITED

Head Office Montreal, Que.
Plants Unity, Sask., Sarnia, Ont., Goderich, Ont., Amherst, N.S.
Depots Parry Sound, Ont., Burlington, Ont., Belleville, Ont., Quebec City, Que., and Montreal, Que.
Rock Salt Mine Goderich, Ont.
Main Products All packaged and bulk salt products for table, industrial, municipal or farm usage in rock salt, solar salt and refined evaporated grades.

BUILDING MATERIALS

THE ARBORITE COMPANY LIMITED

Head Office LaSalle, Que.
Plant LaSalle, Que.
Main Products Decorative and Industrial Paper and Cloth Base Plastic Laminates; Rods; Tubes and Specialties.

COOKSVILLE-LAPRAIRIE BRICK LIMITED

Head Office Montreal, Que.
Plants Cooksville, Ont., Milton Heights, Ont., Cheltenham, Ont., Scarborough, Ont., Delson, Que., Laprairie, Que.
Main Products Burned Shale and Clay Brick and Tile; "SEALBOND" Mortar Admix; "HAYDITE" Light-Weight Aggregate; Powder Spacers for blasting operations.

DONNACONA PAPER COMPANY, LIMITED (BOARD MILLS)

Head Office Quebec City, Que.
Plant Donnacona, Que.
Main Products Insulating Board; Sheathing Board; Acoustical Board and Tiles; Plaster Base Board.

HURON FOREST PRODUCTS CO. LIMITED

Head Office Toronto, Ont.
Plants Blind River, Ont. and Sultan, Ont.
Main Products White and Red Pine Lumber, air and kiln dried; "Bonded Pine" Panels; Mouldings and Dressed Lumber.

your companies

GYPSUM, LIME & ALABASTINE LIMITED

Executive Office Toronto, Ont.

Plants Blubber Bay B.C.; New Westminster, B.C.; Granville Island, B.C.; Calgary, Alta.; Winnipeg, Man.; Beachville, Ont.; Caledonia, Ont.; Hespeler, Ont.; Paris, Ont.; Toronto, Ont.; Montreal, Que.; Montreal East, Que.; Joliette, Que.; Windsor, N.S.

Quarries and Mines Blubber Bay B.C.; Gypsumville, Man.; Beachville, Ont.; Hespeler, Ont.; Milton, Ont.; Joliette, Que.; Ste. Emelie, Que.; St. Marc, Que.; Nappan, N.S.

Main Products "GYPROC" Wallboard, Sheathing and Lath; "GYPROC" Insulation; Lime; Plaster; Stucco; Mortar Mixes; Water Paints; Sand Lime Bricks and Blocks; Sand; Crushed and Pulverized Stone.

MURRAY-BRANTFORD LIMITED

Head Office Montreal, Que.

Plants Brantford, Ont., Lachine, Que., Saint John, N.B.

Main Products Built-up Asphalt and Pitch Roofing Materials; Asphalt Shingles and Sidings; Roll Roofings and Sheathings; "DONNACONA" Insulating and Hardboards; "FIBERGLAS"; Acoustical Tile; Protective Coatings; Waterproofing; Industrial Flooring; Insulation and Roof Maintenance Materials.

NO-CO-RODE COMPANY LIMITED

Executive Office Cornwall, Ont.

Plant Cornwall, Ont.

Main Products Pitch and Fibre Soil and Drain Pipe; Pitch and Fibre Underground Electrical Conduit.

SIPOREX LIMITED

Head Office Montreal, Que.

Plants Delson, Que., Scarborough, Ont.

Main Products Precast Light-Weight Cellular Concrete Slabs and Blocks; Precast Concrete Products.

PULP AND PAPER

ALLIANCE PAPER MILLS LIMITED

Head Office Merritton, Ont.

Plants Merritton, Ont., Georgetown, Ont.

Main Products Glassine and Greaseproof Papers; Carbonizing Tissues; Tabulating Card Stock; Patent Coated Board; Coated Book, Litho and Specialties.

CANADA PAPER COMPANY

Head Office Montreal, Que.

Plant Windsor Mills, Que.

Main Products Wrapping and Converting Kraft Papers; Paper Towels; Bags; Building Papers; Converted Paper Specialties; Unbleached Sulphate Pulp.

Trading Branches
Kilgour's Limited
 Offices and Warehouses in nine cities.
The MacGregor Paper & Bag Company,
 Incorporated Offices and Warehouses in six cities.
Schofield Paper Company Limited
 Saint John, N.B., Halifax, N.S.

DONNACONA PAPER COMPANY, LIMITED

Head Office Quebec City, Que.

Plant Donnacona, Que.

Main Products Unbleached Sulphite Pulp and Newsprint.

DON VALLEY PAPER CO., LIMITED

Head Office Township of East York, Ont.

Plant Toronto, Ont.

Main Products Cover Papers; Blotting Papers, Tag Papers and Specialties.

HOWARD SMITH PAPER MILLS, LIMITED

Head Office Montreal, Que.

Plants Cornwall, Ont., Beauharnois, Que.

Main Products Fine Bond, Duplicating and Stationery Papers; Envelope, Book, Litho, Offset and Cover Papers; Bristols; Food Container and Milk Bottle Stock; Patent Coated Boards; Bleached Soda, Sulphite and Kraft Pulps.

Trading Branches
Federal Paper Company Limited
 Montreal, Que. and Ottawa, Ont.
The Fred W. Halls Paper Company, Limited
 Toronto, Ont. and London, Ont.
Buntin, Gillies & Company Limited
 Hamilton, Ont. and Ottawa, Ont.
Canada Paper "Wholesale" Limited
 Toronto, Ont. and Montreal, Que.
Main Products — Distributors of Fine Printing and Stationery Papers.

MURRAY-BRANTFORD LIMITED (FELT MILLS)

Head Office Montreal, Que.

Plants Thorold, Ont., Portneuf, Que.

Main Products Felt paper stocks for Roofing and Sheathing Papers and for the manufacture of Asphalt Shingles and Sidings.

TIMBER LIMITS AND WOODLANDS OFFICES

Province of Quebec — Bersimis, Cedar Rapids, Gaspé, Jacques Cartier River, Madeleine River, New Carlisle, Oskelaneo, Quebec City, Sault-au-Mouton, Waswanipi, Windsor Mills, North River.

Province of Ontario — Blind River, Cochrane, Cornwall, Madoc, Mattawa, North Bay, Sudbury, Sultan.

U.S.A. — Plattsburg, N.Y.



DOMINION TAR & CHEMICAL COMPANY, LIMITED

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EXECUTIVE OFFICERS

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President — W. N. Hall
Vice-President and Treasurer — D. S. Thomas, F.C.I.S.
Vice-President — Engineering — W. E. Adkins
Vice-President — Production — R. M. Collins
Vice-President — P. N. Gross
Vice-President — R. E. Kirbyson
Vice-President — W. R. Spence
Comptroller — W. J. Strain
Secretary and Assistant Treasurer — S. A. Kerr, C.A., F.C.I.S.

DIVISIONAL OFFICERS

Canada Creosoting Company, Limited — Vice-President & General Manager,
E. A. Thompson
Chemical Developments of Canada Limited — Vice-President & General Manager,
H. H. Behrens
Coal Tar Products Division — General Manager, J. H. Kemper
Cooksville-Laprairie Brick Limited — Vice-President & General Manager,
R. G. Rogers
Gypsum, Lime & Alabastine Limited —
Construction Materials Division — General Manager, W. E. Armstrong
Industrial Materials Division — General Manager, D. C. Nickle
Javex Company Limited — Vice-President & General Manager, R. E. Kirbyson
Murray-Brantford Limited — Vice-President & General Manager, W. B. Thompson
No-Co-Rode Company Limited — Vice-President & General Manager, H. R. Stenson
Sifto Salt Limited — Vice-President & General Manager, W. R. Lawson
Siporex Limited — Vice-President & General Manager, J. H. Palmason

HOWARD SMITH PAPER MILLS, LIMITED

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EXECUTIVE OFFICERS

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President — D. S. Abbott
Executive Vice-President — H. E. Mason
Vice-President — J. M. Thompson
Vice-President — W. H. Aird
Vice-President — W. F. McCollm
Secretary — Watson Gillean
Treasurer — Kenneth G. Pendock, F.C.I.S.
Comptroller — A. G. Laschinger

DIVISIONAL OFFICERS

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The Arborite Company Limited — Vice-President & General Manager, E. Selyan
Canada Paper Company — Vice-President & General Manager, A. J. Philip
Donnacona Paper Company, Limited — Vice-President & General Manager,
L. A. Palmer
Don Valley Paper Co., Limited — General Manager, G. Howard Smith
Huron Forest Products Co. Limited — General Manager, C. E. Smith
Cornwall Division — Mill Manager, W. P. Nesbitt
Beauharnois Division — Mill Manager, K. S. Spencer

your principal consumer products

The products of your Dominion Tar family of companies serve farm, home and industry. Most of these products are for industrial use in the fields of construction, chemical processing and pulp and paper, and these are sold through the regular channels of the trades concerned. An extensive list of these products and the companies which make them is shown on pages 18 and 19 of this report.

Other products of your companies, particularly those shown below, are in daily household use and are available through almost any grocer or chain store.



BRAND NAMES like "SIFTO" and "JAVEX" are common household words in Canada. You, as a consumer, have an opportunity to select your own product by brand name.

In salt products for consumer use, the finest table salt, coarse salt for pickling, and ice salt all bear the "SIFTO" label. The company also provides salt for industrial use and highway maintenance and "cattle licks" for farms.

The well-known line of household products, such as "GAY" liquid detergent, "GLIDE" laundry starch, "FLEECY" laundry rinse and "JAVEX" liquid and dry bleaches have helped make household chores easier and more pleasant. ●



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